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As MDMA therapy hangs in the balance, a high-stakes power shift is underway. But will it bring real change or just new faces at the top?



Mattha Busby

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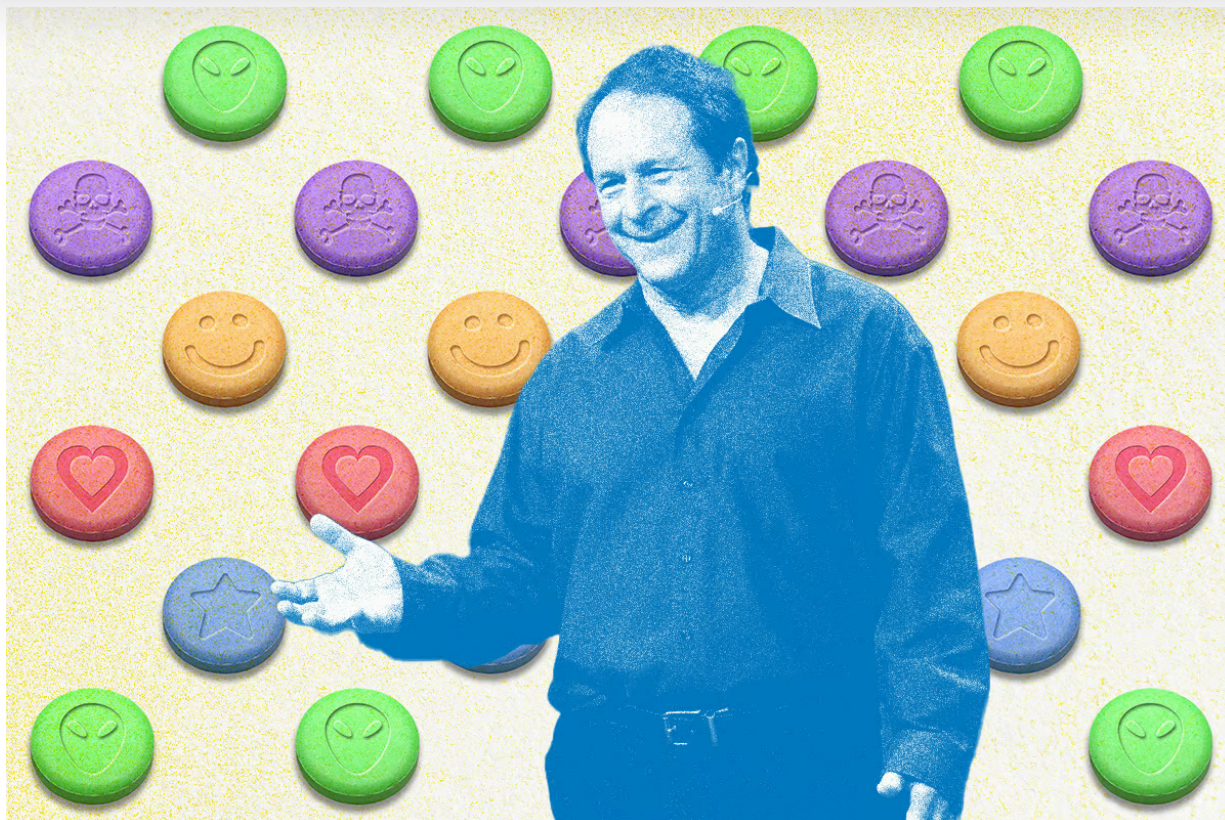


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“They Wanted to Be a Drug Company.” Inside the Lykos Therapeutics Takeover

MAPS founder Rick Doblin is poised for a return to the frontlines of bringing MDMA into mainstream medicine – this time with the backing of two billionaire “white knights.”

By Mattha Busby

As the sun rose over Burning Man on August 31 to the hi-tempo tune of psytrance, Rick Doblin, the pioneering MDMA advocate and founder of the Multidisciplinary Association of Psychedelic Studies (MAPS), danced at the “We Will Dance Again” installation. In a powerful tribute to honor the victims of the October 7 attack at the Nova music festival in Israel, hundreds of people [had gathered](#) on the playa to continue the party that had so tragically been cut short. “And who should be dancing right next to me, completely by chance, but Antonio,” Doblin says. “It was serendipitous. We talked about Lykos, and a few months later, I sought him out.”

Few in the psychedelic community knew Antonio Gracias’ name before this year. But, on January 10, the Financial Times [revealed](#) that the billionaire, a close ally of psychedelic-friendly tech tycoon Elon Musk, had launched a \$100 million bid to take control of the psychedelic biotech firm Lykos Therapeutics. Gracias reportedly aimed to strengthen Lykos’s alliance with MAPS, signaling a potential shift away from a pharma-centric approach and a return to MAPS’s non-profit drug development roots.



Despite enjoying Burning Man, 2024 was Doblin's *annus horribilis*, he told friends at a psychedelic conference in Vancouver in November. His life's dream crumbled when the Food and Drug Administration declined the application for MDMA-assisted therapy for PTSD, a project he worked decades developing and striving to bring to fruition. Forced to watch Lykos pursue what he believes was a flawed, pharma-driven strategy — one that kept its distance from what he describes as [bad faith attacks](#) in the lead-up to the FDA decision — Doblin found himself sidelined.

At the Spirit Plant Medicine conference in Vancouver, he appeared dazed and, at times, almost despondent. Yet behind the scenes, Doblin plotted a comeback, working on finding new, allied investors. “I was looking for a white knight to take over from the pharma people who I thought had turned Lykos in the wrong direction,” he says. Enter stage left, Gracias.

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Gracias, a Detroit native born to an Indian father and a Spanish mother, founded venture capital fund Valor Equity Partners in 1995. He served on Tesla's board from 2007 to 2021, spending eight years as lead independent director, helping take the company public. Gracias also sits on the board of SpaceX and previously worked at Goldman Sachs. Gracias, whose fund is now valued at \$17.5 billion, is known for his philanthropic endeavors. According to [the Wall Street Journal](#), he's also taken drugs with Musk, who the publication claims has taken cocaine, ecstasy, LSD, magic mushrooms, and ketamine.

Sir Chris Cohn, a British hedge fund manager who [was named](#) the UK's “most generous man” for donating £755 million in 2021 through his charity, was announced as one of the investors this week.

“I've come to the conclusion that, while all the work I do is important, one of the most important things is this spiritual education,” he told the Sunday Times in 2023. “We have to solve the problem of selfishness in society.”

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The proposed takeover, which is set to be completed in the coming days and would reportedly grant Gracias and his inner circle a controlling stake in Lykos, comes amid a rapidly changing political landscape in the U.S. The Biden administration did little to advance psychedelic-assisted therapy. However, with President Trump's return to office and the appointment of Robert F. Kennedy Jr. as Secretary of Health and Human Services, there's renewed optimism for the field. Kennedy has criticized the FDA's stance on psychedelics, suggesting a potential shift toward more supportive policies under the current administration. Meanwhile, Lykos is [reviewing](#) its previous Phase 3 clinical data in preparation for an additional Phase 3 trial, aiming to make MDMA-assisted therapy accessible to the 13 million Americans with PTSD as quickly as possible.

But, Gracias's closeness to Musk has raised serious concerns within the psychedelic community, despite the potential benefits of an alliance. "It's scary for me, and I have serious questions," says one well-placed source who spoke on condition of anonymity. "I certainly do not feel at all open to trusting Elon himself right now. Though Antonio is not Elon, their proximity is definitely alarming and worth close scrutiny." They cited Musk's speech [at an event](#) for the far-right German political party Alternative für Deutschland in January and the apparent fascist salute the X/Twitter owner [made following](#) the presidential inauguration. "But since this is coming from Gracias's foundation, it's not a source of him trying to make a profit, and he's doing this because he believes in the medicine," they added.

"With democratic institutions under attack and figures like Musk dismantling regulatory protections, having MDMA therapy's future tied to a foundation controlled by Musk's close associate feels dangerous," [wrote](#) Astrid Sabiha Lloyd, a psychedelic industry insider writing under a pseudonym, in a recent Substack post, leaking the news of Sir Chris Cohn's involvement. "While foundation ownership might seem 'better' than pure profit-seeking private ownership, foundations can become powerful vehicles for advancing political agendas and consolidating influence, especially in times of social upheaval."

"With democratic institutions under attack and figures like Musk dismantling regulatory protections, having MDMA therapy's future tied to a foundation controlled by Musk's close associate feels dangerous."

Doblin said the deal is not yet finalized but it could be reached relatively soon, and



directors, “as the company continues work towards resubmission of its new drug application and secures financing to support its strategy.”

One [report](#) described the board meeting to consider Gracias's proposal as a deadlock over how to finance Lykos's future. The discussion centered on two competing proposals: one from Gracias and another involving a loan of up to \$30 million from Helena Special Investments. Helena led last year's \$100 million funding round, which was intended to carry Lykos through the FDA approval process and into the market. Unable to help facilitate a negotiated agreement, three independent directors, including the chair Jeff George, the former CEO of [pharmaceutical company Sandoz](#), stepped down from the board. The fate of Lykos's interim CEO Mike Mullette, a former VP at pharmaceutical giant Moderna, remains uncertain.

Helena Special Investments reportedly wanted to decouple Lykos entirely from MAPS, but is understood to have been brought on board in favor of the takeover. “There were a lot of conflicts within the previous Lykos administration, and this seems like a good option to them,” said another person with knowledge of the machinations, who spoke on condition of anonymity given the sensitivity of the situation. “They feel it's more aligned than with the previous folks.” Amidst parallel changes at MAPS, including [the exit](#) of its executive director, Kris Lotlikar, the organization designated two new directors to the Lykos board, including Joe Green, cofounder of the Psychedelic Science Funders Collaborative (PSFC). In late February, PSFC [released a document](#) outlining its philanthropic “strategic roadmap,” proposing to fund MAPS to the tune of many millions.

The source confirmed the MAPS leadership, including Doblin, had been “shopping around” for investors to make a counteroffer to Helena's proposals. But they warned of history repeating itself with Gracias and his allies. “Originally, they said that Helena was super aligned, and then it was not so much anymore,” the source said. “The most concerning thing for [MAPS] is that they lost some space in the board, and in the shares, and do not have the final say anymore.” Doblin initially said he “very much trust[ed] working with Helena,” and that he was “honored and proud” to partner with them, Psychedelic Alpha [reported](#). But Doblin was soon at odds with Helena, which favored a more pharma-style strategy, including opting to stay silent during the lead-up to the FDA decision, causing him to leave the board last year. “Now they are saying that Gracias and the other new investors are going to be helpful and aligned,” the source added. The billionaire reportedly plans to give two of the three board seats that he would acquire back to MAPS, which would effectively sideline Helena.

“The main concern for me is [retaining] the combination [of MDMA] with therapy,” says Doblin, addressing critics who suggested that asking the FDA to approve MDMA in combination with talk therapy was overly ambitious. “That's one of the big areas that Antonio understands; the value of therapy. When you have the drug plus therapy, if the benefits are great enough, which they've been in terms of outcomes, then insurance will



Despite Doblin's optimism, Josh Hardman, the editor of Psychedelic Alpha, questioned whether the takeover bid would truly overhaul Lykos and restore Doblin to the board, or if it was simply a financing deal that would bring minor board and executive changes.

"It also remains very unclear whether — and if so, how — the new administration in the U.S. might influence Lykos's course to resubmission," he said. "It is clear, however, that at least one of the potential new investors in the company, Antonio Gracias, is very close with Elon Musk, who joins the ranks of other Musk-adjacent backers of MAPS and Lykos like the Jurvetsons [a wealthy family which donates to causes]. Whether those personal and financial relationships will be parlayed into meaningful benefits for Lykos's road to resubmission or some alternative route to approval remains to be seen."

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Genevieve Jurvetson, a psychedelic philanthropist who helps administer her family's fund, and a supporter of MAPS, [told a conference](#) in January: "I think the Trump administration will do more to advance psychedelic therapies than any previous administration ... You're going to see some researchers who have spent decades of their life come into positions of power ... In the next year, my moonshot is to get MDMA across the finish line."

Another person with knowledge of the discussions said they believed it was likely for Gracias's financing to go through and that "it could mean Lykos will return to the unusually high level of transparency that Rick Doblin champions." That raises the question of whether Lykos would continue to pursue its efforts to patent its proprietary formulation of MDMA capsules, which the company refers to by its full name, "midomafetamine." It made the application early last year, in opposition to Doblin's staunchly anti-patent ethos, but in January, it announced that the patent office had rejected the application. "We are thoroughly reviewing the examiner's comments," the



The patent office dealt “a substantial blow” to Lykos’s application when it rejected Lykos’s claims, Hardman wrote [in Psychedelic Alpha](#). “To move forward, it appears Lykos must either narrow its claims substantially or provide evidence that its claimed composition has unexpected properties—or both,” he said. “This latest patent-related flop might only add fuel to [Gracias’s] proposal, which apparently aims to take the company back towards its ‘public benefit’ roots and away from a more conventional pharma strategy.” Lykos has since announced the filing of four new applications, “related to the company’s proprietary drug formulation, with each covering distinct components of this innovation.” A former trial staffer said: “It all kind of looks like a shit show from the outside.” However, Lykos maintains that it is not abnormal to have a back-and-forth with the patent office over an application, just as FDA approvals for novel treatments are not always granted at the first pass.

Executives at MAPS and perhaps Lykos, which respectively shed 33% and 75% of their workforces soon after the FDA decision, hope that the boardroom changes will be complete by the time MAPS’s Psychedelic Science conference rolls around in June in Denver, Colorado. Applicants for speaking slots at the conference, which was attended by 13,000 people at its last iteration in 2023, have been told that additional time is required for decisions to be made, apparently due to the volume of applications for some tracks. People were supposed to have been informed about their speaking engagements by February 18, but the date has been pushed to March 14.

On February 18, Doblin lamented how Lykos, formerly MAPS Public Benefit Corporation, was forced to seek investment ahead of the FDA decision. “Even though they were impact investors investing in a public benefit corporation, what I found is that the incentive structure had changed,” [he told](#) the “Love You Wealth” podcast. “People started focusing more on financial returns than on public benefit.” As Lykos hired more people from traditional pharma, “they approached MDMA-assisted therapy as if it was a traditional pharma situation. They wanted to be a drug company, not a drug-plus-therapy company,” Doblin said. “It became clear that the people running it didn’t care about public benefit or articulating it as a core value. They cared about running a business.”

The shift in focus “from patient care to business strategy” was “incredibly painful to watch” for Doblin, despite the fact that Lykos never published a pricing strategy or supplied medicine to patients outside of clinical trials. “I helped create this company thinking it would be 100% owned by a nonprofit, focused on public benefit,” he told hosts Cesar Marin and Gary Seelhorst. “But as it evolved, I saw it drift into a space where public benefit was no longer the driving force. And I’ve been in agony watching a series of decisions that I believed were not helpful, and as it turned out, they were not ... I’ve been working to move Lykos back toward focusing on public benefit. I think that’s happening, but it’s a process.”



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Amidst all of the changes, public statements, and podcasts, the lack of direct communication from the company to its investors has irked some of those with money on the line. One investor said: “We haven’t received official correspondence on the terms of the deal that we will be voting on. I haven’t been pleased with the quality of communications regarding Lykos since I invested in their very first financing round.”

Meanwhile, Doblin is reinserting himself at the heart of the decision-making process once again — so he can help realize his lifelong dream. “The challenge,” he told the podcast, “is balancing business realities with the real mission of psychedelic medicine: healing.”

Helena Special Investments and Valor did not return requests for comment. Lykos Therapeutics declined to comment.

Follow Mattha Busby on Instagram [@matthamundo](#)

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